THE MANITOBA ECONOMY

PROJECTED 2007 PERFORMANCE

MANITOBA
BUREAU OF STATISTICS

RIGHT ANSWERS
RIGHT NOW

REPORT #4A

PRICE: $100.00

NOVEMBER 8, 2007

Manitoba Bureau of Statistics

HIGHLIGHTS:

PROJECTED MANITOBA GROSS DOMESTIC PRODUCT FOR 2007

(November 8, 2007)

824–155 Carlton St.
Winnipeg, Manitoba
R3C 3H8

- The Manitoba Bureau of Statistics (MBS) estimates that the **Manitoba economy will grow by 2.9 % in 2007,** down slightly from the from the 3.1% real growth recorded in 2006.

- **Manitoba's 2.9% real growth in 2007 remains, for the second year running, well above the projected growth rate for Canada** which stands, according to the current consensus of private sector forecasters, **at 2.5%.**

- **In 2007, the provincial economy generated a record $41.5 billion of real expenditures (market price)**, a $1.2 billion increase over last year.

- **Economic growth in 2007 was lead by strong consumer spending, and business investment** in machinery, equipment and notably residential construction. Robust commodity prices helped the agriculture and mining sectors, while overall spending benefited from stellar income growth and largely stable interest rates.

- **Total real personal spending** grew by a projected 3.0% in 2007 as consumption was supported by low interest rates, rising real estate values and excellent income growth. All categories of consumer spending grew in 2007 with durable goods, such as trucks, automobiles and major appliances, leading the way with a 9.2% increase. This was followed by semi-durables at 3.2%. The latter includes such items as clothing, textiles and home furnishings.

- **Real business investment rose 8.5% in 2007**, the eighth straight year of continued growth, led by a 14.6% surge in spending on machinery and equipment.

- Construction activity in the province also continued to show momentum notably in **real investment in residential structures** which grew by an estimated 10.1% in 2007 to reach $2.0 billion. Manitoba housing starts are projected to hit 5,500 units in 2007 up from the 5,028 units built in 2006. The projected increase rests mostly on a 75% surge in the construction of multi-family units though spending on repair and renovation work also remained strong. Spending in these areas was helped by a robust real estate market and the strongest personal income growth in twenty years.

- **Real business investment in non-residential structures** decreased by an estimated 2.6% in 2007 with spending of $1.6 billion.

- **Real government investment** increased by 10.7% in 2007. This comes on the heels of a 19.5% rise in 2006. Continued strength in municipal infrastructure investment along with a rise in expenditures on the floodway, the new Manitoba Hydro building and the Wuskatim hydro-electric dam contributed strongly.

- Following an excellent harvest in 2006 and a good one in 2007, Manitoba's grains and oilseed producers have had a lot to market in 2007. Supported by commodity price increases, the bottom line is projected to improve on many Manitoba farms this year.

- **Accrued net farm income** rose from $231 million in 2006 to $334 million in 2007. This includes the **value of farm inventory changes** which is projected to drop $67 million in 2007 to $141 million. **Net cash income** (receipts less expenses) is expected to rise by $246 million or 56.6% in 2007. This is in spite of a $136 million decline in direct payments and an estimated $246 million increase in operating expenses.

- **On an annualized basis, the Canadian dollar is projected to appreciate by more than 7% against the U.S. dollar in 2007.** Since 2002 the Canadian dollar has risen by more than 50% against its U.S. counterpart. So far in 2007 the Bank of Canada has raised its target rate 25 basis points to 4.5%. This occurred July 10, 2007 with no further changes subsequently.

- In the face of the continuing rise in the Canadian dollar and tough foreign competition, **real export growth was largely stable in 2007 up 1.4%.** This was similar to 1.6% growth recorded in 2006. Inter-provincial exports grew by 1.8% in 2007 while real international exports increased by 0.9%. Real export growth in 2007 benefited from strong performances in the machinery, transportation equipment and fabricated metals sub-sectors.

- Overall, **real import growth rose 3.3% in 2007**. This was down from 5.5% in 2006. International imports lead the way rising 4.8 %. This was down from the 8.6% growth recorded last year. Interprovincial imports for 2007 meanwhile grew 2.2% in real terms. This marks a modest decrease from the 3.1% growth recorded in 2006

- **In current dollar terms, GDP at market prices is estimated to grow by 6.7% in 2007 to $47.7 billion,** up from $44.7 billion in 2006.

- **Total labour income is estimated to grow by 5.9% in 2007** following last year's 4.7% gain. In 2007, **Labour income should reach $23.7 billion.**

- **Growth in pretax corporate profits grew by 13.3% in 2007 down from the 27.7% increase recorded in 2006.** Higher prices for services and commodities such as nickel, gold, zinc and oil helped offset reduced margins for many manufacturers and exporters.

- **Unincorporated business income** grew by 5.5% in 2007. This marks a fourth straight year of accelerating increases. This category includes earnings for contractors, real-estate brokers and other independent businesses.

- **Personal disposable income rose an estimated 5.9% in 2007 reaching $29.4 billion.** This marks a rise from the 5.1% growth recorded last year and 3.3% growth the year before.

NOTE TO USERS

This MBS Manitoba Economic Accounts data release is an update to the accounts data published on March 9, 2007

Real GDP Growth	2002	2003	2004	2005	2006	2007 Projected
MBS November 7, 2007 Release	1.6%	1.4%	2.6%	2.9%	3.1%	2.9%
MBS March 9, 2007 Release	1.7%	1.4%	2.5%	2.8%	3.1%	na%
Difference	-0.1%	0.0%	0.1%	+0.1%	+0.0%	na%

The above table shows the revision to the MBS data in percentage terms. The revisions to real GDP growth have been relatively small with the largest change in real growth rate at plus or minus 0.1%.

The MBS estimates differ from the average of the major private sector provincial forecasts (consensus forecast) monitored by Manitoba Finance. Currently, the consensus forecast estimates real growth in 2007 at 3.0%, this is one-tenth higher than the corresponding MBS estimate. On the nominal accounts, the consensus projects 5.6% growth compared with MBS's 6.7%. MBS estimates project greater implicit inflation than the private forecasters.

GDP Preliminary Estimates For 2007	Real GDP Growth	Nominal GDP Growth
MBS November 8, 2007 Release	2.9%	6.7%
Consensus Forecast	3.0%	5.6%
Percent Difference	-0.1%	1.1%

For more information contact **Earl Turnbull** at (204) 945-2995.
(eturnbull@mbs.gov.mb.ca), or **Joseph Warbanski** at (204) 945-2430.
(jwarbanski@mbs.gov.mb.ca)

GRAPHICAL SUMMARY

(1) GDP at Market Prices, Chained 2002 Dollars

(2) Final Domestic Demand, Chained 2002 Dollars

(3) Personal Expenditure, Chained 2002 Dollars

(4) Government Expenditure, Chained 2002 Dollars

(5) Business Expenditure, Chained 2002 Dollars

(6) Total Exports, Chained 2002 Dollars

(7) International Exports, Chained 2002 Dollars

(8) Total Imports, Chained 2002 Dollars

(9) International Imports, Chained 2002 Dollars

(10) Labour Income, Current Dollars

(11) Accrued Net Farm Income, Current Dollars

(12) Personal Disposable Income, Current Dollars

TABLE SUMMARY

(1) Manitoba Gross Domestic Product, expenditure-based in Chained $2002

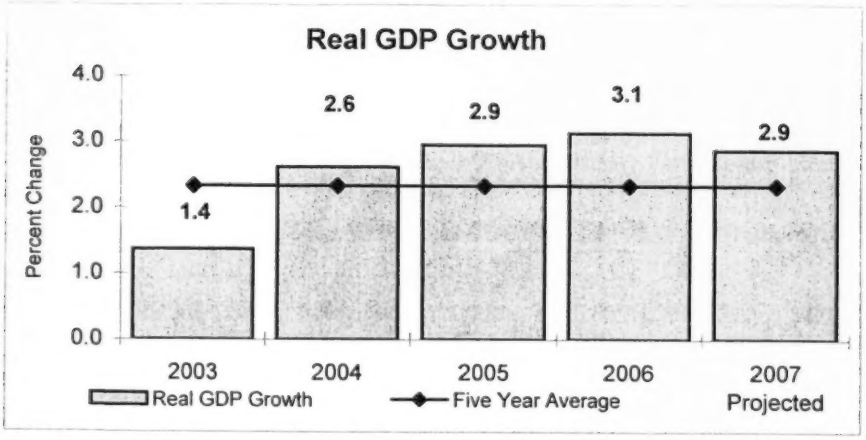
(2) Manitoba Gross Domestic Product, expenditure-based in Current Dollars

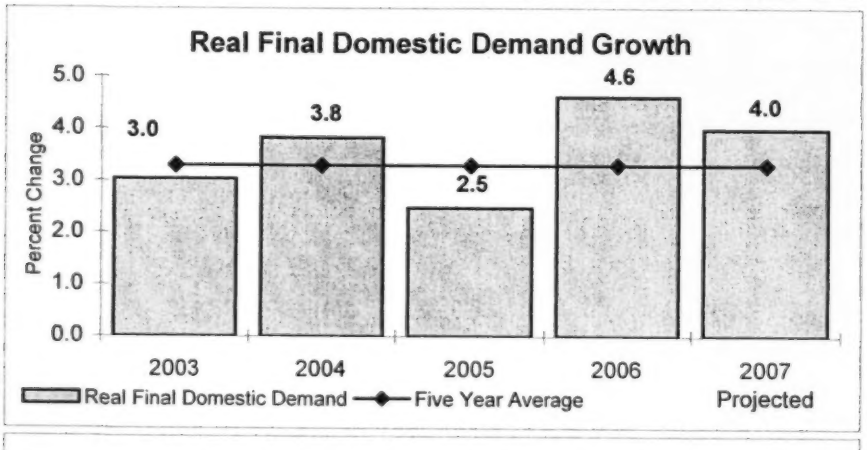
(3) Manitoba Gross Domestic Product, income-based in Current Dollars

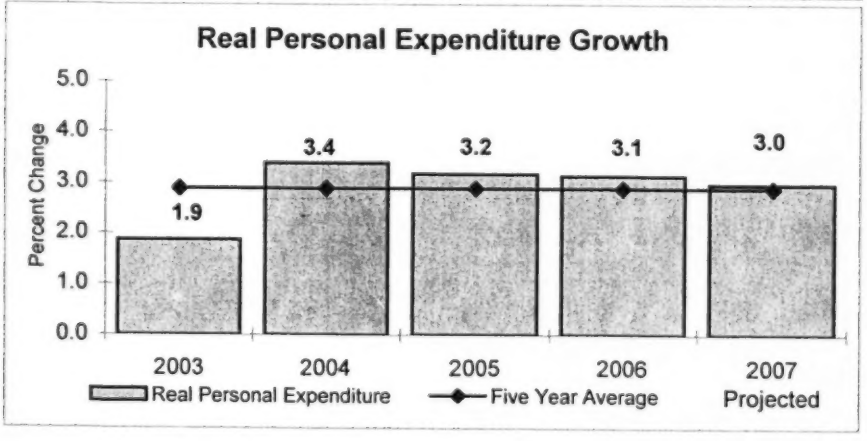
(4) Manitoba Personal Income, sources and disposition in Current Dollars

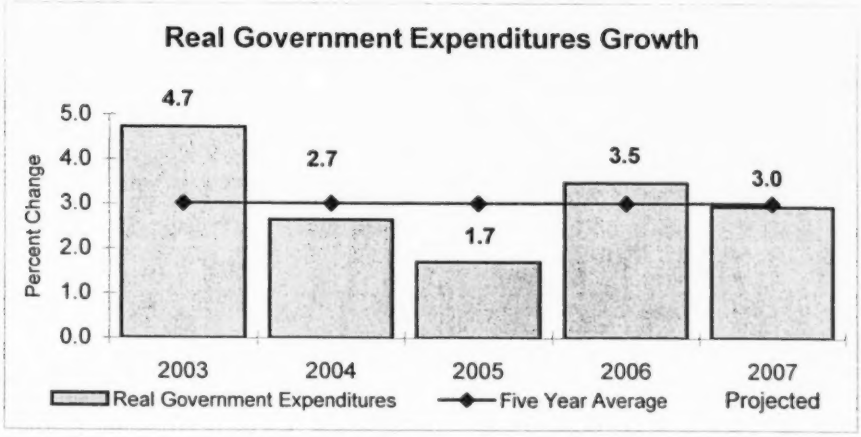
(5) Manitoba Farm Income, reconciliation in Current Dollars

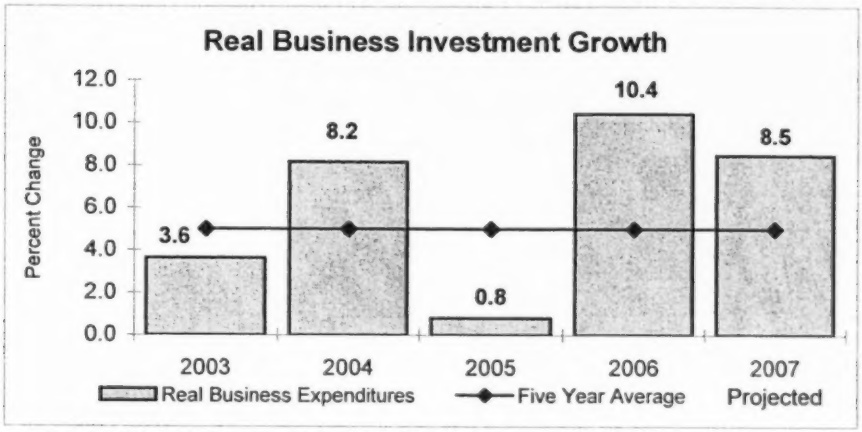
(6) Manitoba Price Indexes (2002 = 100)

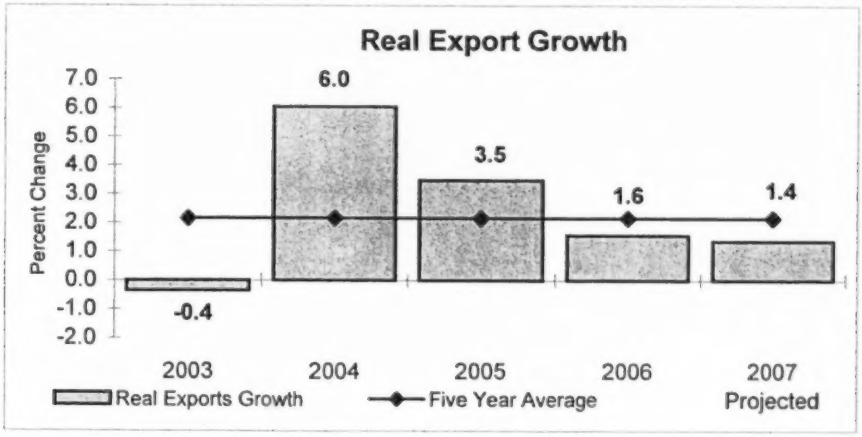

Real GDP Growth
Percent Change
4.0
3.0
2.0
1.0
0.0
1.4
2.6
2.9
3.1
2.9
2003
2004
2005
2006
2007
Projected
Real GDP Growth
Five Year Average

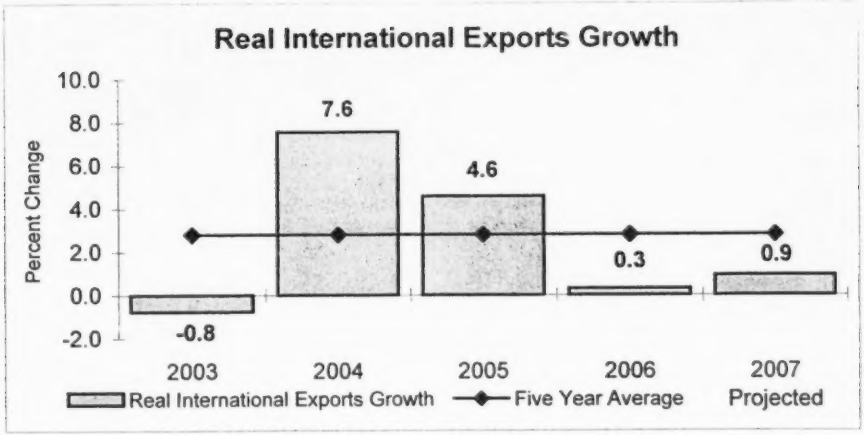

Real Final Domestic Demand Growth
Percent Change
5.0
4.0
3.0
2.0
1.0
0.0
3.0
3.8
2.5
4.6
4.0
2003
2004
2005
2006
2007
Projected
Real Final Domestic Demand
Five Year Average

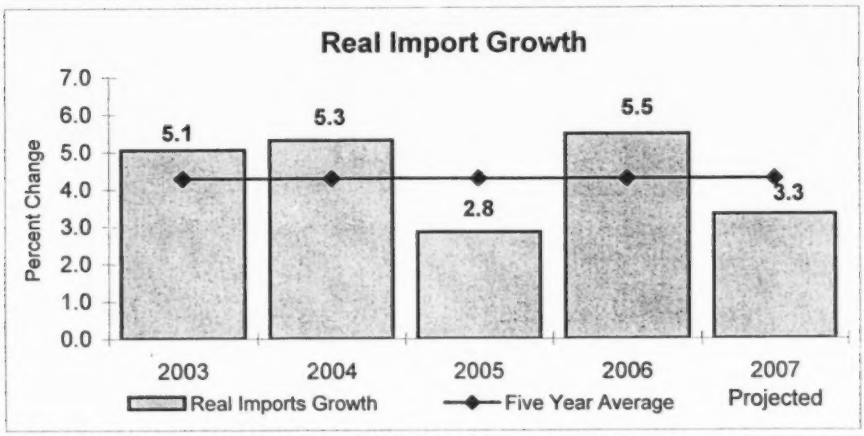

Real Personal Expenditure Growth
Percent Change
5.0
4.0
3.0
2.0
1.0
0.0
1.9
3.4
3.2
3.1
3.0
2003
2004
2005
2006
2007
Projected
Real Personal Expenditure
Five Year Average

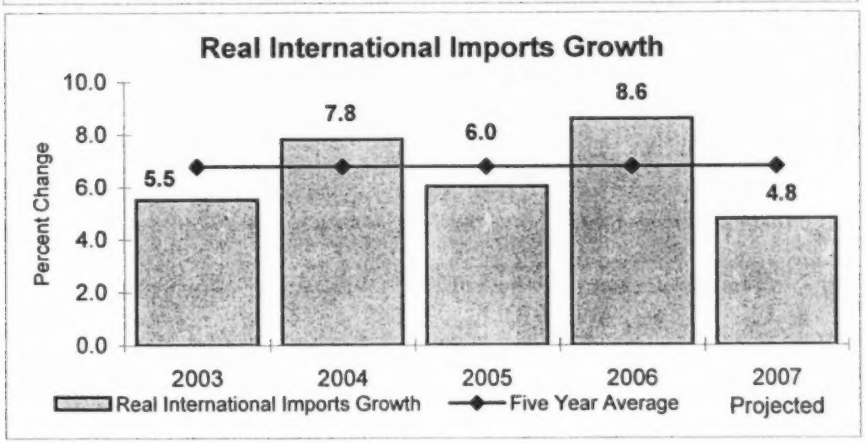

Real Government Expenditures Growth
Percent Change
5.0
4.0
3.0
2.0
1.0
0.0
4.7
2.7
1.7
3.5
3.0
2003
2004
2005
2006
2007
Projected
Real Government Expenditures
Five Year Average

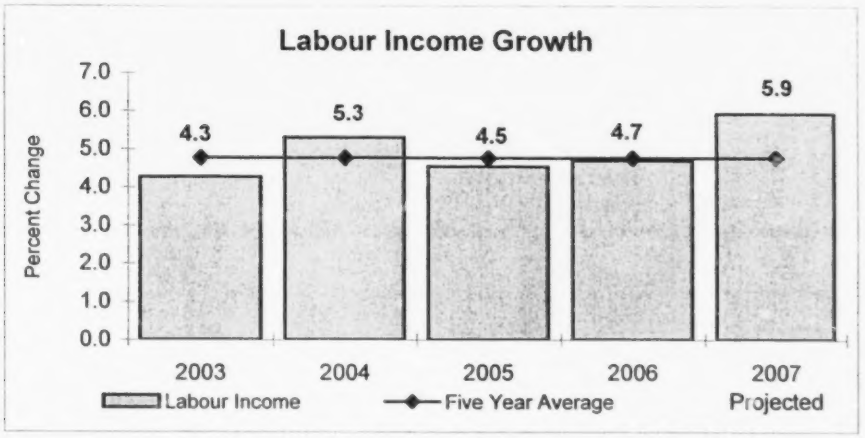

Real Business Investment Growth
Percent Change
12.0
10.0
8.0
6.0
4.0
2.0
0.0
3.6
8.2
0.8
10.4
8.5
2003
2004
2005
2006
2007
Projected
Real Business Expenditures
Five Year Average

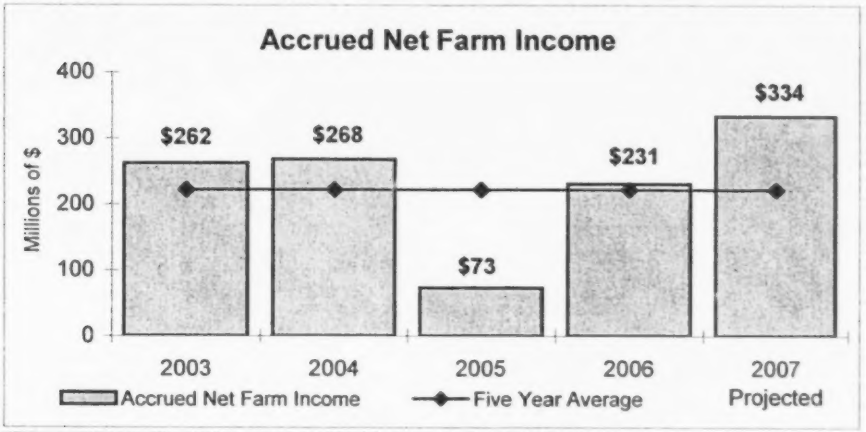

Real Export Growth
Percent Change
7.0
6.0
5.0
4.0
3.0
2.0
1.0
0.0
-1.0
-2.0
-0.4
6.0
3.5
1.6
1.4
2003
2004
2005
2006
2007
Projected
Real Exports Growth
Five Year Average


Real International Exports Growth
Percent Change
10.0
8.0
6.0
4.0
2.0
0.0
-2.0
7.6
4.6
0.3
0.9
-0.8
2003
2004
2005
2006
2007
Projected
Real International Exports Growth
Five Year Average


Real Import Growth
Percent Change
7.0
6.0
5.0
4.0
3.0
2.0
1.0
0.0
5.1
5.3
2.8
5.5
3.3
2003
2004
2005
2006
2007
Projected
Real Imports Growth
Five Year Average


Real International Imports Growth
Percent Change
10.0
8.0
6.0
4.0
2.0
0.0
5.5
7.8
6.0
8.6
4.8
2003
2004
2005
2006
2007
Projected
Real International Imports Growth
Five Year Average


Labour Income Growth
Percent Change
7.0
6.0
5.0
4.0
3.0
2.0
1.0
0.0
4.3
5.3
4.5
4.7
5.9
2003
2004
2005
2006
2007
Projected
Labour Income
Five Year Average


Accrued Net Farm Income
Millions of $
400
300
200
100
0
$262
$268
$73
$231
$334
2003
2004
2005
2006
2007
Projected
Accrued Net Farm Income
Five Year Average

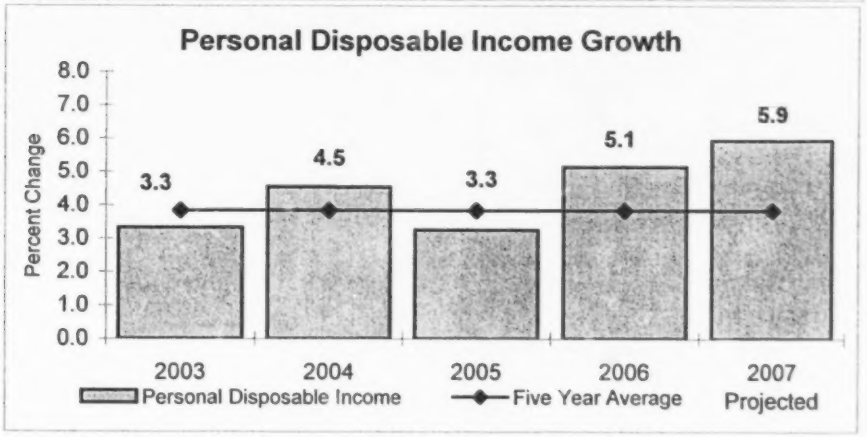

Personal Disposable Income Growth
Percent Change
8.0
7.0
6.0
5.0
4.0
3.0
2.0
1.0
0.0
3.3
4.5
3.3
5.1
5.9
2003
2004
2005
2006
2007
Projected
Personal Disposable Income
Five Year Average

TABLE 1

REAL MANITOBA GROSS DOMESTIC PRODUCT
EXPENDITURE-BASED
2002 - 2007

	2002	2003	2004	2005	2006	2007 Projected
	(MILLIONS OF CHAINED 2002 DOLLARS)					
PERSONAL EXPENDITURE	22,502	22,921	23,697	24,448	25,213	25,959
	2.9	1.9	3.4	3.2	3.1	3.0
GOVERNMENT EXPENDITURE	8,758	9,172	9,415	9,576	9,909	10,201
	2.6	4.7	2.7	1.7	3.5	3.0
GOVERNMENT INVESTMENT IN CAPITAL	750	856	866	896	1,071	1,186
	-3.5	14.2	1.1	3.5	19.5	10.7
STRUCTURES	522	544	549	590	698	757
	1.2	4.3	0.9	7.4	18.3	8.6
MACHINERY AND EQUIPMENT	228	315	319	303	372	436
	-12.7	37.9	1.4	-5.0	22.9	16.9
GOVERNMENT INVESTMENT IN INVENTORIES	-2	1	1	1	0	1
BUSINESS INVESTMENT	5,465	5,664	6,126	6,175	6,819	7,396
	2.0	3.6	8.2	0.8	10.4	8.5
RESIDENTIAL STRUCTURES	1,359	1,482	1,636	1,724	1,841	2,027
	10.5	9.0	10.4	5.4	6.8	10.1
NON-RESIDENTIAL STRUCTURES	1,302	1,361	1,367	1,260	1,619	1,577
	-4.3	4.5	0.4	-7.8	28.5	-2.6
MACHINERY AND EQUIPMENT	2,804	2,816	3,129	3,207	3,325	3,812
	1.3	0.4	11.1	2.5	3.7	14.6
BUSINESS INVESTMENT IN INVENTORIES	36	609	30	12	396	446
NON-FARM	174	183	138	235	107	211
FARM	-138	449	-143	-287	342	267
EXPORTS OF GOODS AND SERVICES	22,510	22,430	23,786	24,611	24,997	25,338
	0.1	-0.4	6.0	3.5	1.6	1.4
EXPORTS TO OTHER COUNTRIES	11,330	11,243	12,092	12,645	12,683	12,799
	2.4	-0.8	7.6	4.6	0.3	0.9
EXPORTS TO OTHER PROVINCES	11,180	11,187	11,695	11,970	12,317	12,542
	-2.1	0.1	4.5	2.4	2.9	1.8
DEDUCT: IMPORTS OF GOODS AND SERVICES	23,539	24,728	26,040	26,781	28,248	29,186
	2.8	5.1	5.3	2.8	5.5	3.3
IMPORTS FROM OTHER COUNTRIES	11,078	11,689	12,601	13,359	14,506	15,199
	6.0	5.5	7.8	6.0	8.6	4.8
IMPORTS FROM OTHER PROVINCES	12,460	13,043	13,478	13,533	13,947	14,249
	0.1	4.7	3.3	0.4	3.1	2.2
STATISTICAL DISCREPANCY	34	92	64	126	144	128
REAL GDP AT MARKET PRICES	**36,514**	**37,014**	**37,981**	**39,101**	**40,325**	**41,481**
	1.6	1.4	2.6	2.9	3.1	2.9
REAL FINAL DOMESTIC DEMAND	37,475	38,613	40,093	41,086	42,981	44,695
	2.5	3.0	3.8	2.5	4.6	4.0

TABLE 2

MANITOBA GROSS DOMESTIC PRODUCT
EXPENDITURE-BASED
2002 - 2007

	2002	2003	2004	2005	2006	2007 Projected
	(MILLIONS OF CURRENT DOLLARS)					
PERSONAL EXPENDITURE	22,502	23,318	24,457	25,717	26,937	28,411
	5.0	3.6	4.9	5.2	4.7	5.5
GOVERNMENT EXPENDITURE	8,758	9,363	9,848	10,398	10,922	11,525
	5.6	6.9	5.2	5.6	5.0	5.5
GOVERNMENT INVESTMENT IN CAPITAL	750	850	873	940	1,110	1,276
	-2.7	13.4	2.7	7.6	18.2	15.0
STRUCTURES	522	558	591	676	813	940
	2.5	7.0	5.8	14.4	20.2	15.6
MACHINERY AND EQUIPMENT	228	292	283	264	298	337
	-12.7	28.0	-3.2	-6.7	12.8	13.2
GOVERNMENT INVESTMENT IN INVENTORIES	-2	1	1	1	1	1
BUSINESS INVESTMENT	5,465	5,532	6,057	6,159	7,017	7,776
	3.6	1.2	9.5	1.7	13.9	10.8
RESIDENTIAL STRUCTURES	1,359	1,533	1,802	1,981	2,172	2,537
	12.9	12.8	17.5	9.9	9.6	16.8
NON-RESIDENTIAL STRUCTURES	1,302	1,389	1,481	1,434	1,883	1,952
	-2.7	6.7	6.6	-3.2	31.3	3.7
MACHINERY AND EQUIPMENT	2,804	2,611	2,774	2,744	2,963	3,287
	2.5	-6.9	6.3	-1.1	8.0	11.0
BUSINESS INVESTMENT IN INVENTORIES	36	325	118	74	545	427
NON-FARM	174	197	206	307	286	198
FARM	-138	128	-88	-233	259	229
EXPORTS OF GOODS AND SERVICES	22,510	22,259	23,986	24,963	26,331	27,923
	1.2	-1.1	7.8	4.1	5.5	6.0
EXPORTS TO OTHER COUNTRIES	11,330	11,067	12,155	12,603	13,382	14,259
	2.9	-2.3	9.8	3.7	6.2	6.6
EXPORTS TO OTHER PROVINCES	11,180	11,192	11,831	12,360	12,948	13,664
	-0.5	0.1	5.7	4.5	4.8	5.5
DEDUCT: IMPORTS OF GOODS AND SERVICES	23,539	24,335	25,601	26,601	28,302	29,788
	2.9	3.4	5.2	3.9	6.4	5.2
IMPORTS FROM OTHER COUNTRIES	11,078	10,864	11,405	11,678	12,632	13,318
	6.4	-1.9	5.0	2.4	8.2	5.4
IMPORTS FROM OTHER PROVINCES	12,460	13,471	14,197	14,923	15,671	16,470
	0.0	8.1	5.4	5.1	5.0	5.1
STATISTICAL DISCREPANCY	34	93	67	134	160	148
GDP AT MARKET PRICES	**36,514**	**37,406**	**39,807**	**41,785**	**44,721**	**47,699**
	3.9	2.4	6.4	5.0	7.0	6.7
FINAL DOMESTIC DEMAND	37,475	39,063	41,236	43,213	45,987	48,988
	4.7	4.2	5.6	4.8	6.4	6.5

TABLE 3

MANITOBA GROSS DOMESTIC PRODUCT
INCOME-BASED IN CURRENT DOLLARS
2002 - 2007

	2002	2003	2004	2005	2006	2007 Projected
	(MILLIONS OF CURRENT DOLLARS)					
WAGES, SALARIES AND SUPPLEMENTARY LABOUR INCOME	18,626	19,421	20,450	21,379	22,384	23,711
	5.0	4.3	5.3	4.5	4.7	5.9
CORPORATION PROFITS BEFORE TAXES	3,004	3,413	4,085	4,437	5,666	6,421
	7.4	13.6	19.7	8.6	27.7	13.3
INTEREST AND MISCELLANEOUS INVESTMENT INCOME	2,555	1,876	2,403	2,929	2,961	3,076
	-15.1	-26.6	28.1	21.9	1.1	3.9
ACCRUED NET INCOME OF FARM OPERATORS	276	262	268	73	231	334
	-13.4	-4.8	2.1	-72.8	217.2	44.4
NET INCOME OF NON-FARM UNINCORPORATED BUSINESS	2,490	2,529	2,597	2,702	2,813	2,968
	5.6	1.6	2.7	4.0	4.1	5.5
INVENTORY VALUATION ADJUSTMENT	-93	122	-39	1	-22	-17
TAXES LESS SUBSIDIES ON FACTORS OF PRODUCTION	1,856	1,894	2,001	2,021	2,041	2,157
	4.8	2.0	5.6	1.0	1.0	5.7
NET DOMESTIC PRODUCT AT BASIC PRICES	**28,713**	**29,517**	**31,764**	**33,542**	**36,074**	**38,650**
	2.8	2.8	7.6	5.6	7.5	7.1
TAXES LESS SUBSIDIES ON PRODUCTS	2,945	2,884	2,804	2,849	3,056	3,222
	12.1	-2.1	-2.8	1.6	7.3	5.4
CAPITAL CONSUMPTION ALLOWANCES	4,889	5,097	5,305	5,529	5,752	5,975
	5.4	4.3	4.1	4.2	4.0	3.9
STATISTICAL DISCREPANCY	-34	-93	-67	-134	-160	-148
GROSS DOMESTIC PRODUCT AT MARKET PRICES	**36,514**	**37,406**	**39,807**	**41,785**	**44,721**	**47,699**
	3.9	2.4	6.4	5.0	7.0	6.7
GROSS DOMESTIC PRODUCT AT BASIC PRICES	33,569	34,522	37,003	38,936	41,665	44,477
	3.3	2.8	7.2	5.2	7.0	6.7

MANITOBA BUREAU OF STATISTICS
November, 2007

MANITOBA ECONOMIC ACCOUNTS
TABLE 3

TABLE 4

MANITOBA PERSONAL INCOME
SOURCES AND DISPOSITION
2002 - 2007

	2002	2003	2004	2005	2006	2007 Projected
	(MILLIONS OF CURRENT DOLLARS)					
WAGES, SALARIES AND SUPPLEMENTARY LABOUR INCOME*	18,755	19,632	20,626	21,562	22,530	23,859
	5.2	4.7	5.1	4.5	4.5	5.9
ACCRUED NET INCOME OF FARM OPERATORS	276	262	268	73	231	334
	-13.4	-4.8	2.1	-72.8	217.2	44.4
NET INCOME OF NON-FARM UNINCORPORATED BUSINESS	2,490	2,529	2,597	2,702	2,813	2,968
	5.6	1.6	2.7	4.0	4.1	5.5
INTEREST, DIVIDENDS AND MISCELLANEOUS INVESTMENT INCOME	3,442	3,366	3,493	3,624	3,840	4,138
	-9.8	-2.2	3.8	3.8	6.0	7.8
CURRENT TRANSFERS:						
FROM GOVERNMENT	4,923	5,057	5,300	5,496	5,691	5,837
	4.1	2.7	4.8	3.7	3.5	2.6
FROM CORPORATIONS	48	45	49	56	59	63
	-53.8	-6.3	8.9	14.3	5.4	6.0
FROM NON-RESIDENTS	92	95	102	94	100	95
	1.1	3.3	7.4	-7.8	6.4	-4.8
PERSONAL INCOME	**30,026**	**30,986**	**32,435**	**33,607**	**35,264**	**37,293**
	2.7	3.2	4.7	3.6	4.9	5.8
DEDUCT:						
CURRENT TRANSFERS TO GOVERNMENT	6,364	6,538	6,878	7,219	7,519	7,903
	1.7	2.7	5.2	5.0	4.2	5.1
EQUALS:						
PERSONAL DISPOSABLE INCOME	**23,662**	**24,448**	**25,557**	**26,388**	**27,745**	**29,390**
	2.9	3.3	4.5	3.3	5.1	5.9
DEDUCT:						
PERSONAL EXPENDITURE ON CONSUMER GOODS AND SERVICES	22,502	23,318	24,457	25,717	26,937	28,411
	5.0	3.6	4.9	5.2	4.7	5.5
CURRENT TRANSFERS TO CORPORATIONS	321	354	369	395	441	486
	-8.8	10.3	4.2	7.0	11.6	10.1
CURRENT TRANSFERS TO NON-RESIDENTS	126	123	132	134	134	136
	59.5	-2.4	7.3	1.5	0.0	1.1
EQUALS:						
PERSONAL SAVING	712	653	599	142	233	358
	-36.5	-8.3	-8.4	-76.2	63.6	53.9
PERSONAL SAVINGS RATE	**3.0**	**2.7**	**2.3**	**0.5**	**0.8**	**1.2**

* LABOUR INCOME BASED ON PROVINCE OF RESIDENCE.

MANITOBA BUREAU OF STATISTICS
November, 2007

MANITOBA ECONOMIC ACCOUNTS
TABLE 4

TABLE 5

MANITOBA FARM INCOME
RECONCILIATION
2002 - 2007

	2002	2003	2004	2005	2006	2007 Projected
	(MILLIONS OF CURRENT DOLLARS)					
TOTAL FARM CASH RECEIPTS	3,848	3,606	3,853	3,804.9	3,685.9	4,167.9
	4.0	-6.3	6.8	-1.2	-3.1	13.1
CROPS	1,913	1,700	1,784	1,286	1,275	1,836
	25.9	-11.1	4.9	-27.9	-0.8	43.9
LIVESTOCK	1,716	1,598	1,639	1,821	1,784	1,843
	-4.6	-6.9	2.6	11.1	-2.0	3.3
DIRECT PAYMENTS	219	308	430	699	626	490
	-42.7	40.7	39.6	62.4	-10.4	-21.8
MINUS: OPERATING EXPENSES	2,919	3,068	3,139	3,055.3	3,268.6	3,514.4
	4.6	5.1	2.3	-2.7	7.0	7.5
= NET CASH INCOME	**929**	**538**	**714**	**749.6**	**417.2**	**653.5**
	1.9	-42.1	32.6	5.0	-44.3	56.6
PLUS: INCOME IN KIND	8	8	9	12	12	12
	-5.0	-1.9	10.6	33.3	0.0	0.0
MINUS: DEPRECIATION CHARGES	397	413	404	409.0	404.5	420.7
	-0.1	3.8	-2.0	1.2	-1.1	4.0
= REALIZED NET INCOME	**540**	**134**	**318**	**352.6**	**24.7**	**244.8**
	3.4	-75.2	138.1	10.7	-93.0	890.7
PLUS: VALUE OF INVENTORY CHANGE	-127	133	-43	-284.0	207.8	140.8
MINUS: AMOUNTS INCLUDED IN OTHER COMPONENTS OF GDP	110	103	94	0	15	13
	14.6	-6.4	-8.7	--	--	-13.3
PLUS: FARM CASH ADJUSTMENTS	-21	66	94	17	6	-6
= NET INCOME RECEIVED BY FARM OPERATORS FROM FARM PRODUCTION	**283**	**229**	**276**	**85.8**	**223.1**	**366.9**
	-12.9	-18.9	20.2	-68.9	-259.9	-164.5
PLUS: ADJUSTMENT ON GRAIN TRANSACTIONS	-7	33	-8	-13	8	-33
= ACCRUED NET INCOME OF FARM OPERATORS	**276**	**262**	**268**	**73**	**231**	**334**
	-13.4	-4.8	2.1	-72.8	-217.2	44.4

TABLE 6

MANITOBA PRICE INDEXES
(CHAINED 1997 DOLLARS)
2002 - 2007

	2002	2003	2004	2005	2006	2007 Projected
PERSONAL EXPENDITURE	100.0	101.7	103.2	105.2	106.8	109.4
	2.1	1.7	1.5	1.9	1.6	2.4
GOVERNMENT EXPENDITURE	100.0	102.1	104.6	108.6	110.2	113.0
	3.0	2.1	2.5	3.8	1.5	2.5
GOVERNMENT INVESTMENT IN CAPITAL	100.0	99.3	100.9	104.9	103.7	107.7
	0.8	-0.7	1.6	4.0	-1.2	3.8
STRUCTURES	100.0	102.6	107.5	114.6	116.5	124.0
	1.3	2.6	4.9	6.6	1.6	6.5
MACHINERY AND EQUIPMENT	100.0	92.8	88.6	87.1	79.9	77.4
	-0.1	-7.2	-4.5	-1.7	-8.2	-3.2
BUSINESS INVESTMENT	100.0	97.7	98.9	99.7	102.9	105.1
	1.6	-2.3	1.2	0.9	3.2	2.2
RESIDENTIAL STRUCTURES	100.0	103.5	110.1	114.9	118.0	125.2
	2.2	3.5	6.4	4.3	2.7	6.1
NON-RESIDENTIAL STRUCTURES	100.0	102.0	108.3	113.8	116.3	123.8
	1.7	2.0	6.2	5.1	2.2	6.5
MACHINERY AND EQUIPMENT	100.0	92.7	88.7	85.6	89.1	86.2
	1.2	-7.3	-4.3	-3.5	4.1	-3.2
EXPORTS OF GOODS AND SERVICES	100.0	99.2	100.8	101.4	105.3	110.2
	1.1	-0.8	1.6	0.6	3.8	4.6
EXPORTS TO OTHER COUNTRIES	100.0	98.4	100.5	99.7	105.5	111.4
	0.5	-1.6	2.1	-0.8	5.9	5.6
EXPORTS TO OTHER PROVINCES	100.0	100.0	101.2	103.3	105.1	108.9
	1.7	0.0	1.1	2.1	1.8	3.6
DEDUCT: IMPORTS OF GOODS AND SERVICES	100.0	98.4	98.3	99.3	100.2	102.1
	0.1	-1.6	-0.1	1.0	0.9	1.9
IMPORTS FROM OTHER COUNTRIES	100.0	92.9	90.5	87.4	87.1	87.6
	0.4	-7.1	-2.6	-3.4	-0.4	0.6
IMPORTS FROM OTHER PROVINCES	100.0	103.3	105.3	110.3	112.4	115.6
	-0.1	3.3	2.0	4.7	1.9	2.9
GDP AT MARKET PRICES	100.0	101.1	104.8	106.9	110.9	115.0
	2.3	1.1	3.7	2.0	3.8	3.7
FINAL DOMESTIC DEMAND	100.0	101.2	102.9	105.2	107.0	109.6
	2.2	1.2	1.7	2.3	1.7	2.4

Manitoba